

Honolulu, Hawaii

JUN 25 , 2020

RE: S.B. No. 2820
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 2820, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY,"

begs leave to report as follows:

The purpose of this measure is to increase the cap amount of the renewable energy technologies income tax credit for solar energy systems for multi-family residential properties from \$350 to \$750.

Your Committee received testimony in support of this measure from 350Hawaii.org, ADON, Blue Planet Foundation, Pele Lani Farm LLC, Kauai Women's Caucus, and twenty individuals. Your Committee received comments on this measure from the Department of Taxation, Hawaii State Energy Office, Hawaii Clean Power Alliance, 174 Power Global, and Tax Foundation of Hawaii.

Your Committee finds that the State must continue to support utility-scale renewable energy projects that benefit residents and ratepayers in order to realize the goal of one hundred percent renewable energy by 2045. Your Committee further finds that greater certainty of the financial incentives available to these projects supports their stability and long-term financial viability.



Your Committee has amended this measure by:

- (1) Removing its preamble;
- (2) Removing the increase of the cap amount of the renewable energy technologies income tax credit for solar energy systems for multi-family residential properties;
- (3) Repealing the renewable energy technologies income tax credit for certain solar energy systems while grandfathering in some of those systems;
- (4) Specifying that the renewable energy technologies income tax credit shall not apply to taxable years beginning after December 31, 2045;
- (5) Making it effective upon approval and applicable to taxable years beginning after December 31, 2019; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2820, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



NICOLE E. LOWEN, Chair



